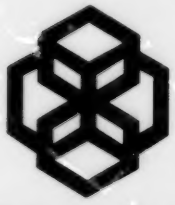
1989 - 1990
Annual Report



SIAST

SASKATCHEWAN INSTITUTE OF APPLIED
SCIENCE AND TECHNOLOGY

91-04348/

K. Arner

I. Boire

E. Crosthwaite

B. Daunt

E. Douglas

M. Houghton

L. Hulicsko

J. Matheson

J. Phillips

E. Poggemiller

D. Radford

D. Ryan

S. Small

K. Stevenson

F. Underwood

R. Wilson

Letter of Transmittal

#108 - 15 Innovation Boulevard
Saskatoon, Saskatchewan
S7K 2H6

March 1, 1991

The Honourable Ray Meiklejohn
Minister of Education
Province of Saskatchewan
Regina, Saskatchewan
S4S 0B3

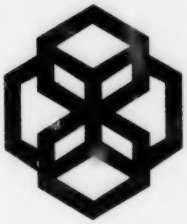
Dear Sir:

On behalf of the Board of Directors of the Saskatchewan Institute of Applied Science and Technology, and in accordance with the provisions of The Institute Act, I have the honour of transmitting to you the Annual Report and audited financial statement of the Saskatchewan Institute of Applied Science and Technology for the fiscal year ending June 30, 1990.

Respectfully submitted,

Merv Houghton

M.R. (Merv) Houghton
Chairman
Board of Directors



SIAST

SASKATCHEWAN INSTITUTE OF APPLIED SCIENCE AND TECHNOLOGY

Effective alignment of finite resources -- human and financial -- emerged during 1989-90 as a significant challenge to SIAST. The year's events highlighted many institutional systems and practices which needed to be strengthened.

More importantly, the year witnessed the initiation and/or continuing development of more effective systems and improved operational practices.

And, as in the year previous, more Saskatchewan adults than ever before began or resumed their career studies at SIAST campuses.

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PROGRAMS for our students 2
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SUPPORT for students programs
Human Resources 7
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STATISTICAL Overview 10
AUDITOR'S Report 12

Letter from the President

Province-wide delivery of academically strong programs in a cost-effective manner requires that systems which are both well-planned and responsive to community needs, be in place. 1989-90 marked the second year of Institute operation. In any organization undergoing transition, programs and systems require modification and close attention, and the Institute is no exception. The events of 1989-90 highlighted several aspects of SIAST systems needing review. Events also underscored the value of collective decision-making to support effective academic program and service delivery.

Accordingly, 1989-90 was a year that saw necessary systems and processes begin to develop and/or progress.

Together, academic and administrative staff began to identify the nature of particular issues, and to co-operate in meaningful and effective ways--across traditional program, departmental and campus operational lines--to reach solutions.

Meanwhile, student enrollments and community demands for more and better career education continued to grow.

After two years of operation, Institute systems for effective province-wide planning, priorizing and the allocation of resources are significantly closer to meeting the purpose for which SIAST was created--which is the co-ordinated planning and province-wide, cost-effective delivery of high calibre, career productive, adult education.

I look forward to working with community decision-makers and Institute staff to build on that progress in the years ahead.

Richard G.A. Mackie
President

Programs for our Students

Meeting career education needs...SIAST provides a comprehensive range of career productive education at campuses located in Moose Jaw, Regina, Prince Albert and Saskatoon, and in rural communities across Saskatchewan through Regional Colleges.

Technical training
Apprenticeship and pre-apprenticeship
Occupational English
English as a second language
Trades training
Adult basic education
Life Skills
Employment readiness
Industry-specific training
Professional certification upgrading
University credit courses
International studies
Literacy

- **GROWING ENROLLMENT:** SIAST enrollment increased nearly twelve percent during 1989-90, from 45,781 to 51,622. This represents an increased enrollment of 5,841 students. Since January 1988 when the Institue began, enrolment has increased by more than fifteen percent.

  Full-time enrollment grew from13,191 in 1989 to 14,253 in 1990, an increase of 1,062 students, for a total of thirteen percent over 1988 levels.

  Part-time enrollment grew from 32,590 to 37,369 in 1990, an increase of 4,779 students, for a total enrollment increase of sixteen percent since 1988.

  Proportionately, more than one in every ten Saskatchewan adults between the ages of seventeen and sixty takes part in an Institute program annually.

- **IMPROVED ACCESS:** Access to career education for all segments of the adult student population was strengthened by implementation of the comprehensive Educational Equity program. Initially the program focuses on three groups of students--women, adults of aboriginal ancestry and adults with disabilities. The program provides both reserved seats in programs and special services designed to improve student chances for academic success, once admitted.

- **PROFESSIONAL PROGRAM ADVICE:** The advice of professionals in fields related to Institute programs continued to guide program development through our system of program Advisory Committees and Advisory Boards. An advisory committee for Gerontological Nursing was established, bringing to eighty-six the number of such groups advising SIAST across Saskatchewan.

- **PROGRAM EVALUATION:** Program evaluation, which ensures that Institute career education remains up-to-date, received significant attention during the year. Staff developed and initiated a system for regular review of all full-time Institute programs on a five-year rotating basis. Under the new system, a certain number of full-time programs at each campus participate in a formal appraisal process every year. The process involves both Institute staff and non-Institute professional advisory groups in identifying ways to strengthen programs.

* **ACADEMIC STUDIES DURING NON-TRADITIONAL HOURS:** Making career education more convenient and accessible to students with other responsibilities, such as work or family, continued to be a focus for program delivery. The Institute provides an extensive array of programs available evenings and part-time. Several programs traditionally offered during the day were extended in this way. Some programs offered during Fall and Winter months also extended their schedules into summer months to accomodate student needs.

* **EMPLOYMENT RELATED STUDY:** The Co-op education format, enabling students to combine paid work experience with classroom training, expanded to include more full time programs.

Institute students can choose from among a number of learning methods and experiences, available at different campuses. Campus Registrar's Offices listed below provide public information regarding the following:

Apprenticeship training
Competency-based education...
Co-operative education...
Credit and non-credit programs...
Employment day-option programs...
Mature/adult admission...
Modular courses...
Part-time studies...
Semester studies...
Work experience programs...

SIAST Kelsey Campus
TEL: 933-6350 or
1-800-567-3263

Idylwyld & 33rd Street
P.O. Box 1520
Saskatoon, SK
S7K 3R5

SIAST Palliser Campus
TEL: 694-3200 or
1-800-667-0055

Saskatchewan & 6th Ave.
P.O. Box 1420
Moose Jaw, SK
S6H 4R4

SIAST Wascana Campus
TEL: 787-4356 or
1-800-667-7730

221 Winnipeg North
P.O. Box 556
Regina, SK
S4P 3A3

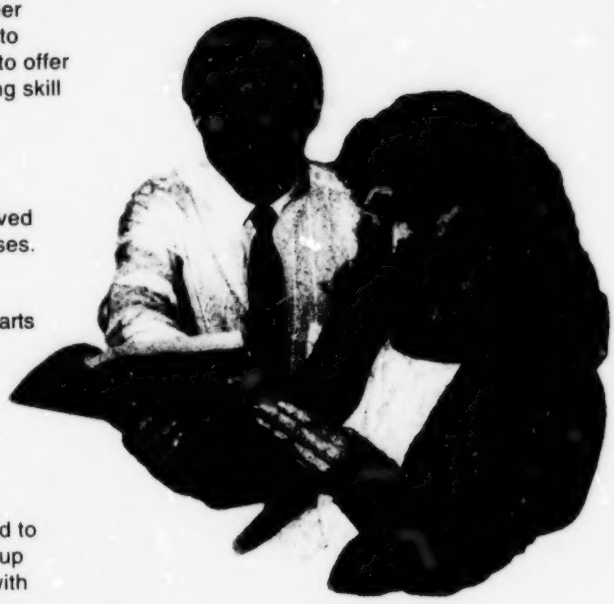
SIAST Woodland Campus
TEL: 953-2 '94 or
1-800-667-9664

1100-15th Street East
P.O. Box 3003
Prince Albert, SK
S6V 6G1

* **CAREER COUNSELLING:** Computerized career information extended career counselling services to more potential students. Each campus continued to offer public counselling services, testing and job seeking skill seminars.

* **LITERACY**: Implementation of PALS, a computerized literacy system for adult use, improved adult literacy training available at Institute campuses.

* **DISTANCE EDUCATION:** Rural and northern parts of the province received improved career education opportunities via electronic telecommunications networks, and through collaborative programming with Gabriel Dumont Institute, Indian Tribal Councils and other northern and aboriginal groups.



* **ADULT BASIC EDUCATION:** Efforts continued to assist adult basic education students, who made up nearly one-third of full-time Institute enrollment, with integrating their studies into their career plans.

* **STUDENT POLICIES:** To ensure fairness, consistency and student convenience in addressing student grievances, a cross-campus group developed guidelines for a new student appeal policy. Additionally, student health and well-being was the focus of a non-smoking policy developed and implemented for all Institute facilities. Staff and students identified consistency and equitable application of procedures related to admissions and enrollment as a subject needing review. The Institute initiated an assessment and evaluation of cross-campus practices in these areas.

* **STUDENT SERVICES:** Woodland Campus opened a new day-care facility in Prince Albert to assist students who are parents. Administrative staff worked to increase student involvement in planning student services.

* **INTERNATIONAL EXPERIENCE:** Increasing numbers of Institute staff took part in international adult education projects overseas, and efforts began to arrange an international Institute project which would provide students with overseas experience.

Beyond our Campuses

The Institute works closely with business, industry and communities to develop career education that supports the needs identified.

To meet the career education needs of adults unable to attend courses in urban centres, the Institute offers a variety of programs off-campus. Travelling instructors, distance education, correspondence courses, computer-managed testing and teleconferencing, computer-assisted learning and the electronic telecommunications network, SCN (Saskatchewan Communications Network) enable distant learners to improve their education and training.

* **RURAL PARTNERSHIP WITH REGIONAL COLLEGES:** Significant staff time and attention focused on continuing program development and program delivery services to all Saskatchewan Regional Colleges, each of which annually offers a large number of Institute programs to rural residents.

* **SIAST IN THE COMMUNITY:** Institute Campuses make significant economic as well as educational impact on the communities in which they are located. Annual budget by location included:

Kelsey Campus:	$33 M
Palliser Campus:	$20 M
Wascana Campus:	$30 M
Woodland Campus:	$23 M
Central Resources (Saskatoon):	$3 M

* **MINING TASK FORCE**: To begin building a future-oriented working relationship with business and industry, the Institute Board of Directors in 1988 had commissioned an external task force to assess the mining and natural resource industry in Saskatchewan. Senior industry executives worked with Institute staff during 1988 and 1989 to identify current and future employment and education requirements related to Saskatchewan's natural resource industry. Mining Task Force members, listed below, presented their report to the Board in July, 1989:

A. Neil McMillan, Chairman;	Pemberton Securities
Darryl Barclay,	Potash Corporation
Ralph Cheesman	Saskatchewan Mining Association
John Cross,	Philom Bios
John Gugulyn,	Potash Corporation
Peter Gummer,	Claude Resources
Ted Renner,	SaskOil
Donald Somers,	Cameco
John Scharf,	SIAST

- **PROJECT TRAINING:** The Institute continued to strengthen services for provincial business and industry by providing specially designed technical skill programs for mega-projects and retraining programs. Staff delivered a large number of individually-contracted training projects for various Saskatchewan businesses.

- **SUPPORTING ECONOMIC DEVELOPMENT:** Administrative and program staff collaborated with municipal and provincial governments in their efforts to attract new business and industry to the province.

- **UNIVERSITY PROGRAMMING:** Recognizing the demand for university entrance-level credit courses in Moose Jaw and Prince Albert, the Institute supported the extension of university programming to those cities with the use of SIAST staff and facilities. Enrollments in university programs in these locations continued to increase.

- **INTERNATIONAL SERVICES:** The Institute is one of the most active providers of international development programs among the colleges and institutes of Canada. International division staff continued to work with provincial and municipal government agencies to attract international industry to the province and develop new employment markets.

Our Human Resources

The Institute continued to employ approximately 1,600 full-time academic and administrative staff. Although academic and administrative operational responsibilities are shared among campuses and the central resources office, staff complements by geographic location included:

Kelsey Campus: 488 Palliser Campus: 319 Wascana Campus: 452 Woodland Campus: 288
Central Resources: 38

* **STAFF INVOLVEMENT IN PLANNING:** Establishing a sound planning framework incorporating collaborative decision-making with staff was recognized as an important need. Staff worked to further develop a strategic planning process and annual statement of goals and objectives.

* **COMMUNICATIONS:** The Board recognized the planning and communication challenges facing the Institute as it strives to ensure effective and efficient delivery of high calibre programs province-wide. To identify and create communication systems that support collaborative decision-making, the Board commissioned an internal Communications Task Force. The group assessed the general communications environment and in the Spring of 1990, recommended ways to strengthen internal communication processes.

* **COLLECTIVE AGREEMENTS:** Collective agreement bargaining talks, begun during the spring of 1989 with the Saskatchewan Government Employees Union, broke down and staff protested via labour action. Academic staff conducted rotating strikes from November, 1989 until January, 1990, and administrative support staff did likewise during March and April of 1990. With the assistance of mediation, the first collective employment agreement for academic staff was in place by early Spring. With the assistance of conciliation, a collective agreement for the Administrative Support staff unit was in place somewhat later.

* **CONTRACT IMPLEMENTATION:** Implementation of the new collective agreements began; lengthy contract retroactivity necessitated extensive data collection and financial processing. Additionally, implementation of particular aspects of the contracts required the initiation of a significant data collection project related to assigned student contact hours for academic staff.

- **PRESIDENTIAL CHANGE:** The chief executive officer, President Eva Lee, resigned in March, 1990. Bryan Dunleavy, appointed Executive Vice President in the Fall of 1989, served as Acting President while the Board initiated the search for a new President.

- **CAMPUS LEADERSHIP:** Richard Bonokoski, a Saskatchewan educator, succeeded Bryan Dunleavy as Principal of Wascana Campus in Regina; Nancy Lynch, Principal of Palliser Campus in Moose Jaw, left the Institute to assume a senior post-secondary administrative role in another province; Ron Balsdon, an Alberta educator, succeeded her as Principal at Palliser. Wilf Hiebert became Vice president, Human Resources.

- **CENTRAL RESOURCES OFFICE RELOCATION:** The Board elected to consolidate the central resources staff unit from Regina with the central staff unit in Saskatoon. When completed later in 1990, this would position central staff resources for Institute planning, developmental and administrative services more geographically accessible to campus locations. Staff relocation began and the search for cost effective office space in Saskatoon started. Until new space is arranged, staff are housed in existing Institute space in Saskatoon.

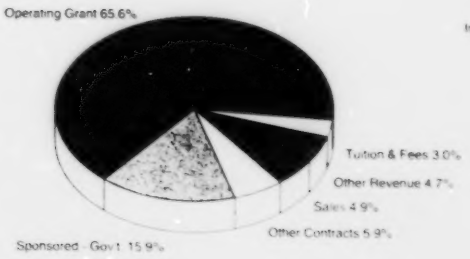
- **CHANGING JOB MARKET IMPACT ON STAFFING:** As labour market needs and demands for employees trained for different jobs, change annually, Institute programming priorities also must change to accomodate those needs. This requires that the Institute continually assess its resources and skills to address these changing demands, and may require modifying its staffing mix and levels.

- **ACADEMIC INTEGRITY:** To underscore the importance of honesty and integrity in the Institute academic setting, the Board initiated development of copyright and conflict-of-interest policies, for implementation as soon as developed.

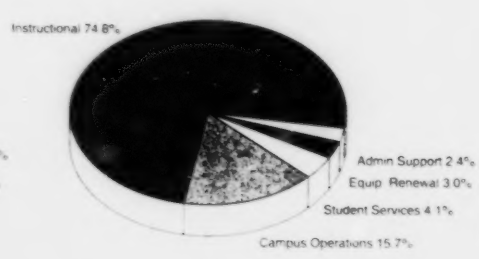
Finance and Administration

The Institute administrative team includes staff operating both on Institute campuses and at the central resources office in Saskatoon. These staff are responsible for program planning , development and evaluation, as well as for financial and operational accountability, reporting and services which support academic program delivery. Institute-wide administrative functions are co-ordinated through both campus and central resources office locations.

INSTITUTE REVENUES
1989/90



INSTITUTE EXPENDITURES
1989/90



* **TUITIONS:** Although tuition increased by approximately 10% during 1989-90, tuition continued to cover less than 5% of the direct cost of delivering programs, reflecting continuing efforts to minimize student tuition fee increases.

The Board initiated a review of all Institute tuitions and fees with a view to ensuring both suitability in relation to cost, and equitable application.

* **FUNDING:** Sixty-six percent of Institute funding originates with the provincial government. Sponsored programs and private training contracts account for another 22% of funding resources. Direct federal government funding for employment-related training continued to decrease.

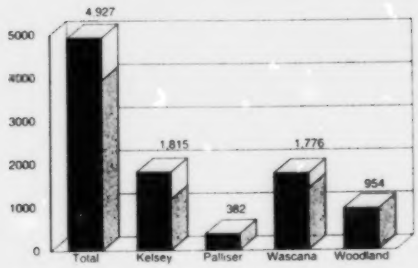
* **RETROACTIVE COMMITMENTS:** During 1989-90, the Institute continued to absorb over $5M in employee salary settlements retroactive to Institute start-up in 1988.

* **INFORMATION SYSTEMS:** Administrators initiated a review of cross-campus information and financial reporting systems, with a view to developing a sound planning and evaluation information base.

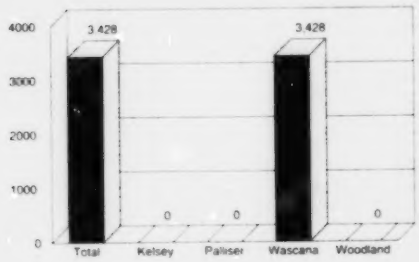
* **CO-ORDINATED BUDGETING**: For the second consecutive year, cross-campus budget task teams worked to evaluate system-wide operations and suggest financially effective improvements.

Statistical Overview

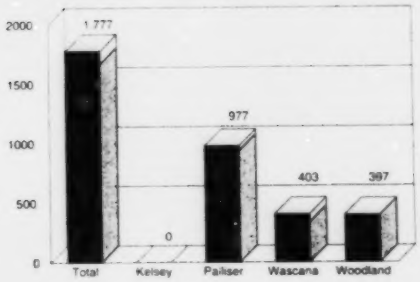
Academic Services



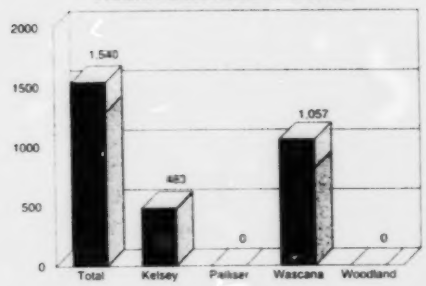
Agriculture & Resources



Business

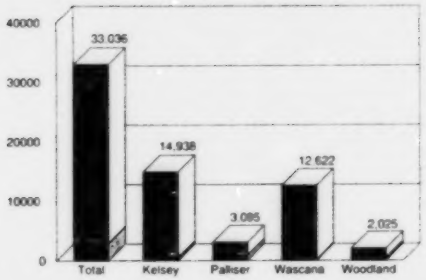


Health Sciences & Dental

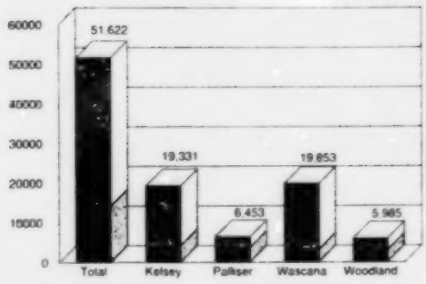


Legend: Full Time Part Time

Extension

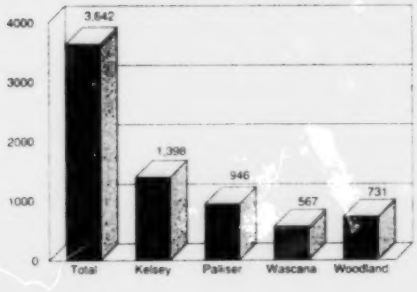


Total



Legend: Full Time Part Time

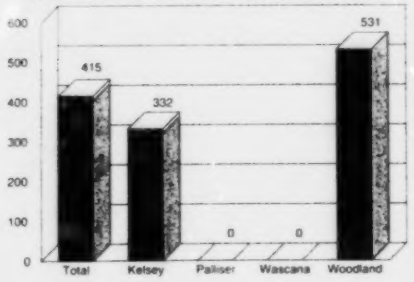
Industrial & Technical



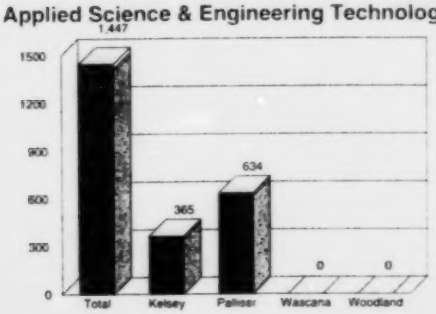
University Transfer Enrollment
(not shown in charts)

Palliser Part Time	419
Woodland Part Time	1347
Total	1766

Applied Arts & Community Services



Applied Science & Engineering Technology



Deloitte & Touche
Chartered Accountants

Suite 400, PCS Tower
122 - 1st Avenue South
Saskatoon, Saskatchewan
S7K 7E5

Telephone: (306) 244-8900
Telecopier: (306) 652-2686

AUDITORS' REPORT

To the Board of Directors of
Saskatchewan Institute of Applied
Science and Technology:

We have examined the statement of financial position of the Saskatchewan Institute of Applied Science and Technology as at June 30, 1990 and the statement of changes in fund balances for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Institute as at June 30, 1990 and the results of its operations and the changes in its financial position for the year then ended in accordance with the disclosed basis of accounting, considered appropriate in the circumstances as described in Note 2 to the financial statements, on a basis consistent with that of the preceding year.

Deloitte + Touche

Chartered Accountants

September 20, 1990

SASKATCHEWAN INSTITUTE OF APPLIED SCIENCE AND TECHNOLOGY
STATEMENT OF FINANCIAL POSITION
JUNE 30, 1989

	1990	1989
ASSETS		
CURRENT ASSETS		
Cash and short term investments (Note 3)	$11,038,205	$6,437,690
Accounts receivable (Note 4)	3,973,945	3,739,900
Inventories (Note 5)	1,321,633	1,875,074
Prepaid expenses	321,624	454,204
	16,655,407	12,506,868
CAPITAL ASSETS (Note 6)	50,286,173	47,202,660
	$66,941,580	$59,709,528
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	$1,809,034	$1,870,637
Salaries and benefits payable	11,601,993	9,671,417
Advances	32,450	90,792
Unearned revenue (Note 7)	4,801,478	1,920,292
Current portion of obligation under capital lease	502,926	722,437
	18,747,881	14,275,575
OBLIGATION UNDER CAPITAL LEASE (Note 8)	1,125,640	892,291
	19,873,521	15,167,866
EQUITY AND FUND BALANCES		
EQUITY IN CAPITAL ASSETS (Note 9)	48,657,606	45,531,720
DEFICIT ASSUMED ON AMALGAMATION (Note 10)	(34,348)	(34,348)
FUND BALANCES	(1,555,199)	(955,710)
	47,068,059	44,541,662
	$66,941,580	$59,709,528

Approved on behalf of the Board of Directors:

_____ Chairman of the Board

_____ President and Chief Executive Officer

SASKATCHEWAN INSTITUTE OF APPLIED SCIENCE AND TECHNOLOGY
STATEMENT OF CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 1990

	OPERATING
	GENERAL OPERATIONS
REVENUE	
Grants	$71,872,890
Contractual services	23,858,614
Sales (net of refunds)	1,117,476
Tuition (net of refunds)	5,192,239
Investment	1,662,951
Fees	326,917
Rentals	511,468
Donations and contributions	14,267
	104,556,822
EXPENDITURE	
Salaries and employee benefits	61,863,289
Facilities rental	22,261,151
Material and supplies	4,535,758
Contractual services	4,657,339
Administrative	3,102,816
Travel	2,223,786
Equipment rental	754,268
Equipment repair and maintenance	1,033,938
Training allowances	993,828
Board	140,372
Scholarships and fee assistance	39,948
	101,606,493
NET REVENUE BEFORE CAPITAL ACQUISITIONS	2,950,329
Capital Acquisitions	3,259,466
Capital Lease Payments	492,575
NET (EXPENDITURE) REVENUE	(801,712)
Inter-fund transfers	173,148
CHANGE IN FUND BALANCES FROM OPERATIONS	(628,564)
FUND BALANCES, BEGINNING OF YEAR	(984,347)
FUND BALANCES, END OF YEAR (Note 11)	$ (1,612,911)

1990			1989
FUND			
ANCILLARY SERVICES	ENDOWMENT FUND	COMBINED TOTAL FUNDS	COMBINED TOTAL FUNDS
$ -	$ -	$71,872,890	$68,208,333
-	-	23,858,614	21,180,463
4,285,913	-	5,403,389	5,149,181
-	-	5,192,239	4,519,249
-	14,020	1,676,971	1,052,279
85	-	327,002	447,064
-	-	511,468	384,766
-	757,508	771,775	102,288
4,285,998	771,528	109,614,348	101,043,623
752,637	-	62,615,926	56,893,953
103	-	22,261,254	22,347,862
3,225,472	-	7,761,254	8,081,657
7,258	-	4,664,597	4,324,810
41,368	230	3,144,414	2,548,750
1,424	-	2,225,210	1,884,919
13,951	-	768,219	717,875
3,469	-	1,037,407	887,894
-	-	993,828	924,669
-	-	140,372	168,768
-	248,555	288,503	15,098
4,045,682	248,785	105,900,960	98,796,255
240,316	522,743	3,713,388	2,247,368
67,168	493,668	3,820,302	3,369,323
-	-	492,575	609,949
173,148	29,075	(599,489)	(1,731,904)
(173,148)	-	-	
-	29,075	(599,489)	(1,731,904)
-	28,637	(955,710)	776,194
$ -	$57,712	$(1,555,199)	$(955,710)

SASKATCHEWAN INSTITUTE OF APPLIED SCIENCE AND TECHNOLOGY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 1990

1. STATUTORY AUTHORITY

On January 1, 1988 the Saskatchewan Institute of Applied Science and Technology (SIAST) was established as a public educational corporation by the Legislative Assembly of Saskatchewan in an Act respecting the Saskatchewan Institute of Applied Science and Technology per S. S. 1986 - 1987 c.I-9.I and 0/C 1003/87. (cited as The Institute Act).

SIAST was created from the amalgamation of ten previously separate educational organizations within the Province of Saskatchewan. These include: Regina Plains Community College (Regina), Wascana Institute of Applied Arts and Sciences (Regina), Coteau Range Community College (Moose Jaw), Saskatchewan Technical Institute (Moose Jaw), Saskatoon Regional Community College (Saskatoon), Advanced Technology Training Centre (Saskatoon), Kelsey Institute of Applied Arts and Sciences (Saskatoon), Prince Albert Regional Community College (Prince Albert), Meadow Lake Regional Vocational Centre (Meadow Lake), and Northern Institute of Technology (Prince Albert).

The legislation enacting SIAST provided for the establishment of the corporation through the transfer, at no cost, of all the assets, liabilities and net equity of these ten previously separate organizations.

2. SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements have been prepared in accordance with generally accepted accounting principles (GAAP) except for capital assets as noted below. The following policies have been adopted by SIAST where alternatives are available under GAAP.

SIAST follows the recommendations as described in "Guide to Accounting Principles, Practices and Standards of Disclosure for Universities and Colleges of Canada" published in 1984 by the Canadian Association of University Business Officers (CAUBO), which provides that the following exceptions to generally accepted accounting principles are appropriate for colleges and universities:

- No provision is made for depreciation of capital assets.
- Capital assets are included in expenditures in the year of acquisition and a complementary asset/equity in capital assets is recorded to reflect capital asset acquisitions. Equity in assets under capital lease is recorded at the time the obligation is paid.

2. SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (continued)

Fund Accounting

The accounts of SIAST are further maintained in accordance with the principles of fund accounting to permit the observation of limitations and restrictions placed on the use of available resources. Under fund accounting, revenue and the related expenditures are accounted for in separate funds in accordance with objectives specified by donors, limitations and restrictions imposed by sources outside of SIAST, and determinations made by the Board of Directors.

For financial statement reporting purposes the Statement of Financial Position combines the assets, liabilities and fund balances of all funds.

The Statement of Changes in Fund Balances shows the total revenue and expenditure of SIAST, after elimination of inter-fund transactions. SIAST has classified accounts with similar characteristics into separate funds as follows:

- The Operating Fund consists of revenue and expenditure used in the general operations of SIAST. The Operating Fund, in accordance with CAUBO recommendations, has been subdivided between general operations and ancillary services. General operations deals with the administration and delivery of educational programs. Ancillary services deals with the provision of resale goods and services by SIAST and is expected to operate on a break-even basis. Ancillary services include bookstores, shop stores, food services and vending services.

- The Trust and Endowment Fund consists of those revenues and expenditures used for projects and purposes stipulated by donors and contributors including scholarships and bursaries. Non-monetary asset donations are recorded as revenue and capital acquisitions.

Investments

Investments are recorded at cost. Investment revenue is accrued and reported as earned.

Accounts Receivable

Receivables are reported net of any provision for doubtful accounts.

Inventories

Inventories consist of merchandise and supplies held for resale and are valued at the lower of cost and net realizable value. Administrative and program supplies, library books and periodicals are not inventoried.

2. SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (continued)

Capital Assets

Expenditures for capital assets are charged to the appropriate fund in the Statement of Changes in Fund Balances. These expenditures are also reflected on the Statement of Financial Position through corresponding entries to capital assets and equity in capital assets.

Upon the creation of SIAST, the assets acquired from the Province of Saskatchewan and the individual community colleges were recorded at fair market value for furniture and equipment, and at the net book value of the former organization for leasehold improvements. Additions subsequent to the date of amalgamation, January 1, 1988, are recorded at cost. Retirements are recorded as a reduction of capital assets at their original recorded values and proceeds on retirement (net of disposal costs) are included in the operating fund through sales revenue. No depreciation is recorded on capital assets since the value of capital assets is charged to operations upon acquisition.

Capital Leases

SIAST leases computer and other equipment on terms which transfer substantially all benefits and risks of ownership to SIAST. These leases are accounted for as "capital leases", as though an asset had been purchased and a liability incurred.

Appropriations

The Board of Directors has authorized that appropriations be made for committed expenditures on authorized purchases pertaining to the budget year.

3. CASH AND SHORT-TERM INVESTMENTS

	1990	1989
Cash	$2,027,159	$55,134
Short-term promissory notes and term deposits	9,011,046	6,382,556
	$11,038,205	$ 6,437,690

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4. ACCOUNTS RECEIVABLE

	1990	1989
Tuition fees	$171,884	$104,507
Programs delivered	2,398,171	1,252,568
Federal government	775,989	878,888
Provincial government	542,680	1,248,911
Other	85,221	255,026
	$3,973,945	$3,739,900

5. INVENTORIES

	1990	1989
Bookstores	$1,115,351	$1,655,366
Food services	68,161	62,903
Shop and service supplies	138,121	156,805
	$1,321,633	$1,875,074

6. CAPITAL ASSETS

	1990	1989
Furniture and Equipment		
Balance, beginning of year	$46,546,640	$42,859,105
Net additions during the year	3,103,053	3,687,535
Balance, end of year	49,649,693	46,546,640
Leasehold Improvements		
Balance, beginning of year	656,020	420,680
Net additions during the year	(19,540)	235,340
Balance, end of year	636,480	656,020
Capital assets, end of year	$50,286,173	$47,202,660

Furniture and equipment includes assets under capital leases of $2,298,929 (1989 - $1,921,212).

7. UNEARNED REVENUE

	1990	1989
Tuition fees	$494,045	$497,870
Grants	2,674,394	-
Contractual services	1,586,993	1,123,946
Other	46,046	298,476
	$4,801,478	$1,920,292

8. OBLIGATION UNDER CAPITAL LEASE

Capital leases pertain to computer and other equipment having various lease termination dates from 1991 through 1996.

	1990	1989
Balance, beginning of year	$1,614,728	$1,099,948
Additions during the year	1,111,513	1,124,729
Repayments during the year	(492,575)	(609,949)
Retirements during the year	(605,100)	-
Balance, end of year	$1,628,566	$1,614,728

Minimum lease payments under the capital leases are as follows:

Year ending June 30,	
1991	$588,771
1992	564,730
1993	438,149
1994	350,623
1995	13,862
1996	18,997
Total minimum lease payments	1,975,132
Less amount representing future interest charges	346,566
Net obligation under capital leases	1,628,566
Current portion	502,926
Long-term portion	$1,125,640

Interest expensed during the year amounted to $141,747 (1989 - $184,055).

9. EQUITY IN CAPITAL ASSETS

	1990	1989
Balance, beginning of year	$45,531,720	$42,179,837
Increase during the year		
Equipment acquisitions	3,245,909	3,303,631
Repayment of obligation under capital lease	492,575	609,949
Donated capital assets	493,668	65,693
	4,232,152	3,979,273
Retirements of equipment	(1,106,266)	(627,390)
Net increase	3,125,886	3,351,883
Balance, end of year	$48,657,606	$45,531,720

10. DEFICIT ACQUIRED ON AMALGAMATION

The enabling legislation (Note I) creating SIAST transferred various assets, liabilities and equity to SIAST on January 1, 1988. The equity (deficiency) transferred can be summarized as follows:

From the Province of Saskatchewan	
Revolving Fund accounts	$1,674,968
Appropriation accounts	(1,953,696)
From former colleges and Advanced Technology Training Centre	244,380
	$ (34,348)

11. OPERATING FUND

	Unappropriated	Appropriated	Total
Balance, beginning of year	$(I,955,455)	$971,108	$(984,347)
Change in fund balances from operations	(628,564)	-	(628,564)
	(2,584,019)	971,108	(1,612,911)
Appropriation from 1989	971,108	(971,108)	-
Appropriation for 1990	(1,251,038)	1,251,038	-
Balances, end of year	$(2,863,949)	$1,251,038	$(1,612,911)

12. RELATED PARTIES

SIAST has close operational arrangements with several Province of Saskatchewan organizations which are considered to be related parties.

During the year SIAST recorded grant revenue from the Saskatchewan Provincial Government through the Department of Education for operations and leasing of facilities in the amount of $73,688,103 (1989 - $68,143,073). The Department of Education also funds other institute training on a contractual basis. During the year $8,184,676 (1989 - $7,705,680) was recorded as revenue for these contractual programs.

SIAST leases the majority of its facilities from the Saskatchewan Property Management Corporation, a provincial crown corporation. Expenditures incurred by SIAST during the year for facility rentals amounted to $19,588,355 (1989 - $19,839,772).

Gabriel Dumont Institute (GDI) has entered into a contractual arrangement with SIAST whereby GDI is responsible for implementing a Native Services Division within SIAST. During the year SIAST recorded $345,000 (1989 - $374,867) in provincial grant revenue which was transferred to GDI as reimbursement for Native Services Division costs.

SIAST employees participate in various defined benefit and money purchase type pension plans. The majority of these are managed and administered by the Province of Saskatchewan through the Department of Finance on behalf of SIAST. Employer contributions for money purchase plans are included in expenditures in these financial statements. The Province of Saskatchewan remains responsible for any employer obligations associated with the defined benefit type pension plans.

SIAST uses the services of various other provincial crown corporations and agencies on a normal commercial basis.

13. COMMITMENTS

SIAST has a number of operating lease commitments pertaining to property, buildings and equipment. The majority of property and buildings are leased on a continuing basis from the Saskatchewan Property Management Corporation (SPMC). The remaining property and buildings are leased from private lessors. Equipment is leased from various private lessors.

A summary of these future minimum operating lease payments is as follows:

	PROPERTY AND BUILDINGS		EQUIPMENT
	SPMC	OTHER LESSORS	
1991	$15,478,194	$1,672,694	$174,633
1992	15,478,194	1,269,490	101,626
1993	15,478,194	983,309	19,250
1994	15,478,194	983,309	13,862
1995	15,478,194	983,309	13,862